

**California Environmental Protection Agency**

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**Responses to January 10, 2005**

**Little Hoover Commission Request for Information**

**1. What were the reasons for establishing the entities proposed for reorganization and how has this public need changed?**

Assembly Bill 939 (Sher, Chapter 1095, Statutes of 1989) and Senate Bill 1322 (Bergeson, Chapter 1096, Statutes of 1989) reorganized the former Solid Waste Management Board as the new California Integrated Waste Management Board (IWMB). These statutes charged IWMB with ensuring that local agencies, as subdivisions of the State, made adequate provisions for solid waste handling within their jurisdictions.

Prior to this legislation, experts estimated that more than 90 percent of California's solid waste was disposed in landfills, some of which posed serious threats to groundwater, air quality, and public health and safety. This disposal rate was expected to exceed available landfill capacity by the mid-1990's. To address the impending landfill crisis, the law mandated that the state divert 50 percent of the solid waste stream by 2000. Moreover, there was no single coherent state policy to ensure that California's solid waste would be managed in an effective and environmentally sound manner. In response to these concerns, the Legislature, the private waste industry, the environmental community, and local government worked together to craft the IWMA to address these solid waste issues. The Act declared that responsibility for solid waste management to be shared between state and local governments, and that the state, through IWMB, would ensure an effective and coordinated approach to the safe management of all solid waste generated within California. In 1991, an executive reorganization (1991 GRP-1) placed IWMB within the newly created California Environmental Protection Agency (CalEPA) to improve cross-media pollution control across environmental programs.

During the past 15 years, many of the objectives of the 1989 legislation that created IWMB have been met. The statewide diversion rate is now 48 percent; sufficient landfill capacity exists. It is the Administration's view that the public need for an effective and coordinated approach to waste management in California can continue to be addressed, and the goals of the 1989 laws, through the organizational structure proposed in 2005 GRP-1.

**2. Which functions will be eliminated by the reorganization, and which functions will be performed differently as a result of the reorganization?**

No functions currently performed by the organization will be eliminated as part of the reorganization. However, the process used in performing these functions will be modified. Currently, the IWMB board members review and approve a variety of actions such as allocation of funds for contracts and grants; overall waste management policy; regulatory packages; local jurisdiction plans and diversion goal achievement; and permit actions at public board meetings. The 2005 GRP-1 provides for similar public process

for certain decisions, however, the public discussion and public decision-making in these areas will shift to either the Secretary of CalEPA or to his/her designee. The public workshops currently held by the board members would still be conducted by staff.

**3. For each board or commission proposed for absorption into your agency, please describe the structure, process, number and type of positions that will fulfill these functions.**

As proposed by the reorganization, the structure of the programs and personnel currently comprising IWMB would remain the same (with the exception of six exempt board members and six exempt advisors). The authority for oversight and implementation would be transferred from the IWMB board members to the Secretary for Environmental Protection. The functions would most likely be performed by a division with the Agency, under the direction of a subordinate officer, appointed by the Governor and confirmed by the Senate.

**4. What savings (if any) will be captured as a result of the reorganization? What will be done with those savings and how will they be accounted for in the budget?**

Current estimates project that approximately \$1.9 million in special funds would be saved through the reorganization proposed by the Governor. (This includes salaries of six exempt board members and six advisors as well as associated operating expenses for those positions.) The special funds that support IWMB board members and advisors would remain in those funds and be available through the budget process for reallocation to the programs supported by the funds.

**5. For boards or commissions that are proposed for elimination, who are the appointing authorities, what are the qualifications for membership, the terms of office and the compensation?**

IWMB is governed by a six-member board: four are appointed by the Governor, and one each by the Senate Rules Committee and the Speaker of the Assembly. Of the four gubernatorial appointments, one is to have private sector experience in the solid waste industry; one must have served as an elected or appointed official of a nonprofit environmental protection organization whose principal purpose is to promote recycling and the protection of air and water quality; and, the remaining two members shall represent the public. The two legislative appointees shall represent the public. Members represent the state at large and not any particular area of the state and serve full time. Each member is appointed for a term of four years, unless filling an unexpired portion of a previous member's term. The appointments made by the Governor are subject to confirmation by the Senate.

**6. For Boards or Commissions that are created by the reorganization, who are the appointing authorities, what are the qualifications for membership, the terms of office and the compensation?**

Not applicable.

**7. How will the new organization guard against special interest inappropriately influencing decision-makers?**

CalEPA, like all other state agencies, is subject to the variety of laws and rules that guard against inappropriate influence. Those laws are unchanged by 2005 GRP-1. All regulations and rules will be adopted through the process prescribed by the *Administrative Procedures Act* and related statutes. A transparent, robust public participation process will be used for decision making in carrying out the responsibilities being transferred to CalEPA. CalEPA is in the process of reviewing public participation policy for all CalEPA boards and departments, with a focus on improving public participation in decision making.

**8. How will the public be better served by reorganizing these boards or commissions and how will this improvement be measured and reported?**

The proposed reorganization will result in greater accountability, by vesting responsibility in a single Governor's appointee, rather than a board with 3 different appointing authorities. In most instances, a newly elected Governor does not appoint a majority to the board members until the second half of his/her term, which provides little accountability of the elected official.

The public will benefit from the efficiency and productivity created with the elimination of the board structure. While board meetings provide for opportunities for public participation, the public workshop process is often a more flexible forum for public input than the more formal board hearings. In public workshops, staff can develop and test proposals with the general public and stakeholders, and address concerns and discuss policy in a more informal setting. Workshops can be held in multiple locations to make public attendance more feasible and convenient to many communities or individuals within California.

Additionally, public benefit is created through the savings in board member and advisor salaries and benefits. As described above, the estimated direct cost savings in salaries is \$1.9 million. Further savings will be achieved through efficiencies for day-to-day operations, such as procurement, fiscal, and legislative matters, which will not require lengthy board review.

As Cal/EPA Secretary, I will be working to determine the best method to assess and report the improvements resulting from this reorganization